

LAW OFFICES
ALLEN H. HARRISON, JR.
SUITE 706
2009 NORTH 14TH STREET
ARLINGTON, VIRGINIA 22201

TELEPHONE (703) 524-8309
FAX (703) 524-3035

RECORDATION NO. 24491 FILED

JUN 24 '03 10:00 AM

SURFACE TRANSPORTATION BOARD

May 31, 2003

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Use Agreement ("Lease") dated as of May 20, 2003.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 730
221 Main Street
San Francisco, CA 94105

Chicago South Shore & South - LESSEE
Bend Railroad Company
505 North Carroll Avenue
Michigan City, IN 46360

The said Lease, among other things, acts to lease only the equipment listed in Annex A thereto by the Lessor to the Lessee and should be recorded under a new number.

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached, namely 40 railroad cars, CSS495360-495399, f/k/a FLOX and CSXT numbers 495360-495399.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of 40 railcars, CSS495360-495399, f/k/a FLOX and CSXT numbers."

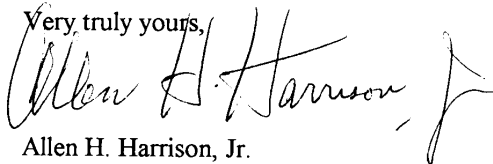
Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-BB."

Enclosed is a check in the amount of sixty dollars (\$60.00) in payment of the filing fee (\$30.00) and the cross indexing fee (\$30.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in cursive script that reads "Allen H. Harrison, Jr." followed by a large, stylized flourish.

Allen H. Harrison, Jr.
*Attorney for Flex Leasing I, LLC,
for the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Enclosures

BY HAND

8212-020

ANNEX A

Description of Equipment

Forty (40) 42', 116-ton capacity with single insulated cover, 286,000 lb.
gross rail load, numbered:

CSS 495360 through CSS 495399 inclusive

[Chicago South Shore & South Bend Railroad Company]

MEMORANDUM OF USE AGREEMENT

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) letter agreement for the use of railcars, dated March 24, 2003 (the "Use Agreement"), with CHICAGO SOUTH SHORE & SOUTH BEND RAILROAD COMPANY ("Lessee"), located at 505 North Carroll Avenue, Michigan City, Indiana 46360, covering the railcars listed on Annex A attached hereto.

Dated as of May 20, 2003

FLEX LEASING I, LLC

Janice M. Wickham
Name: Janice M. Wickham
Title: Vice President

STATE OF New York)
) ss:
COUNTY OF New York)

On this 20 day of May, 2003, personally came before me, Janice Wickham, who, being by me duly sworn, says she is a Vice President of Flex Leasing I, LLC and that said writing was signed on the date hereof by her on behalf of said company by its authority duly given. The said Janice Wickham acknowledged the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 20 day of May, 2003.

SEAL

Richard D'Annunzio
Notary Public
My Commission Expires: _____

RICHARD D'ANNUNZIO
Notary Public, State of New York
No. 43-4693159
Qualified in Richmond County
Commission Expires March 30, 2007

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JUN 24 '03 11:00 AM

SURFACE TRANSPORTATION BOARD

ANNEX A

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CSS 495360 through CSS 495399 inclusive

[Chicago South Shore & South Bend Railroad Company]